



## DEPARTMENT OF COMMERCE

### International Trade Administration

[C-533-825]

#### Polyethylene Terephthalate Film, Sheet, and Strip from India: Preliminary Results of Countervailing Duty Administrative Review, Rescission in Part, and Intent To Rescind in Part; 2019

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (Commerce) preliminarily determines that countervailable subsidies are being provided to SRF Limited/SRF Limited of India (SRF), a producer and exporter of polyethylene terephthalate film, sheet, and strip (PET film) from India. The period of review is January 1, 2019, through December 31, 2019. Interested parties are invited to comment on these preliminary results.

DATES: Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

FOR FURTHER INFORMATION CONTACT: Nicholas Czajkowski or Konrad Ptaszynski, AD/CVD Operations, Office I, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-1395 or (202) 482-6187, respectively.

#### SUPPLEMENTARY INFORMATION:

##### Background

On July 1, 2002, Commerce published in the *Federal Register* the countervailing duty (CVD) order on PET film from India.<sup>1</sup> On September 3, 2020, Commerce published a notice of initiation of an administrative review of the *Order*.<sup>2</sup> On February 25, 2021, Commerce extended the deadline for the preliminary results of this review to no later than July 30, 2021.<sup>3</sup> For a

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<sup>1</sup> See *Countervailing Duty Order; Polyethylene Terephthalate Film Sheet, and Strip (PET Film) from India*, 67 FR 44179 (July 1, 2002) (*Order*).

<sup>2</sup> See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 85 FR 54983 (September 3, 2020).

<sup>3</sup> See Memorandum, “Polyethylene Terephthalate Film, Sheet and Strip from India: Extension of Deadline for Preliminary Results of Countervailing Duty Administrative Review; 2019,” dated February 25, 2021.

complete description of the events that followed the initiation of this review, *see* the Preliminary Decision Memorandum.<sup>4</sup>

#### Scope of the *Order*

The products covered by this *Order* are PET film from India. For a complete description of the scope of the *Order*, *see* the Preliminary Decision Memorandum.<sup>5</sup>

#### Rescission of Administrative Review, in Part

Pursuant to 19 CFR 351.213(d)(1), Commerce will rescind an administrative review, in whole or in part, if the parties that requested a review withdraw the request within 90 days of the date of publication of the notice of initiation. Commerce received timely-filed withdrawal requests from MTZ Polyesters Ltd. (MTZ), Polyplex Corporation Ltd. (Polyplex), and Uflex Ltd. (Uflex), pursuant to 19 CFR 351.213(d)(1). Because the withdrawal requests were timely filed, and no other party requested a review of these companies, in accordance with 19 CFR 351.213(d)(1), Commerce is rescinding this review of the *Order* with respect to MTZ, Polyplex, Uflex.

#### Intent to Rescind Administrative Review, in Part

It is Commerce's practice to rescind an administrative review of a CVD order, pursuant to 19 CFR 351.213(d)(3), when there are no reviewable entries of subject merchandise during the POR for which liquidation is suspended.<sup>6</sup> Normally, upon completion of an administrative review, the suspended entries are liquidated at the CVD assessment rate calculated for the review period.<sup>7</sup> Therefore, for an administrative review of a company to be conducted, there must be a reviewable, suspended entry that Commerce can instruct U.S. Customs and Border Protection

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<sup>4</sup> *See* Memorandum, "Decision Memorandum for the Preliminary Results, Partial Rescission and Intent to Rescind in Part of the Countervailing Duty Administrative Review: Polyethylene Terephthalate Film, Sheet, and Strip from India; 2019," dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

<sup>5</sup> *Id.*

<sup>6</sup> *See, e.g., Lightweight Thermal Paper from the People's Republic of China: Notice of Rescission of Countervailing Duty Administrative Review; 2015*, 82 FR 14349 (March 20, 2017); *see also Circular Welded Carbon Quality Steel Pipe from the People's Republic of China: Rescission of Countervailing Duty Administrative Review; 2017*, 84 FR 14650 (April 11, 2019).

<sup>7</sup> *See* 19 CFR 351.212(b)(2).

(CBP) to liquidate at the calculated CVD assessment rate calculated for the review period.<sup>8</sup>

According to the CBP import data, except for the mandatory respondent and its cross-owned companies, the companies subject to this review did not have reviewable entries of subject merchandise during the POR for which liquidation is suspended. Accordingly, in the absence of reviewable, suspended entries of subject merchandise during the POR, we intend to rescind this administrative review with respect to one company, Vacmet India Ltd., in accordance with 19 CFR 351.213(d)(3).

### Methodology

Commerce is conducting this administrative review in accordance with section 751(a)(1)(A) of the Tariff Act of 1930, as amended (the Act). For each of the subsidy programs found to be countervailable, we preliminarily find that there is a subsidy, *i.e.*, a financial contribution by an “authority” that gives rise to a benefit to the recipient, and that the subsidy is specific.<sup>9</sup> For a full description of the methodology underlying our conclusions, *see* the Preliminary Decision Memorandum.

A list of topics discussed in the Preliminary Decision Memorandum is included at the appendix to this notice. The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <http://access.trade.gov>. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly at <http://enforcement.trade.gov/frn/>.

### Preliminary Rate for Non-Selected Companies Under Review

There are three companies for which a review was requested and not rescinded, and which were not selected as mandatory respondents. The statute and Commerce's regulations do not directly address the establishment of rates to be applied to companies not selected for

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<sup>8</sup> See 19 CFR 351.213(d)(3).

<sup>9</sup> See sections 771(5)(B) and (D) of the Act regarding financial contribution; section 771(5)(E) of the Act regarding benefit; and section 771(5A) of the Act regarding specificity.

individual examination where Commerce limits its examination in an administrative review pursuant to section 777A(e)(2) of the Act. However, Commerce normally determines the rates for non-selected companies in reviews in a manner that is consistent with section 705(c)(5) of the Act, which provides the basis for calculating the all-others rate in an investigation.

Section 705(c)(5)(A)(i) of the Act instructs Commerce, as a general rule, to calculate an all-others rate equal to the weighted average of the countervailable subsidy rates established for exporters and/or producers individually examined, excluding any rates that are zero, *de minimis*, or based entirely on facts available. In this review, none of the rates for respondents were zero, *de minimis*, or based entirely on facts available. For the companies for which a review was requested that were not selected as mandatory company respondents, and for which Commerce did not receive a timely request for withdrawal of review, Commerce based the subsidy rate on the rate calculated for the sole mandatory respondent.

#### Preliminary Results of Review

In accordance with 19 CFR 351.221(b)(4)(i), we preliminarily determine the following net countervailable subsidy rates for the POR:

<b>Manufacturer/Exporter</b>	<b>Subsidy Rate (percent <i>ad valorem</i>)</b>
SRF Limited <sup>10</sup>	2.82
<b>Review-Specific Average Rate Applicable to the Following Companies<sup>11</sup></b>	
Ester Industries Limited,	2.82
Garware Polyester Ltd.	2.82
Jindal Polyester Ltd.	2.82

#### Disclosure and Public Comment

We will disclose to parties in this review the calculations performed in reaching the preliminary results within five days of publication of these preliminary results.<sup>12</sup> Interested

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<sup>10</sup> SRF Limited is also known as SRF Limited of India.

<sup>11</sup> This rate is based on the rates for the respondents that were selected for individual review, excluding rates that are zero, *de minimis*, or based entirely on facts available. See section 735(c)(5)(A) of the Act.

<sup>12</sup> See 19 CFR 351.224(b).

parties may submit written comments (case briefs) on the preliminary results no later than 30 days from the date of publication of this *Federal Register* notice, and rebuttal comments (rebuttal briefs) within seven days after the time limit for filing case briefs.<sup>13</sup> Pursuant to 19 CFR 351.309(d)(2), rebuttal briefs must be limited to issues raised in the case briefs. Parties who submit arguments are requested to submit with the argument: (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities.<sup>14</sup> All briefs must be filed electronically using ACCESS.

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing must submit a written request to the Assistant Secretary for Enforcement and Compliance, filed electronically via ACCESS by 5 p.m. Eastern Time within 30 days after the date of publication of this notice. Hearing requests should contain: (1) the party's name, address, and telephone number; (2) the number of participants; and (3) a list of the issues to be discussed. Issues addressed at the hearing will be limited to those raised in the briefs. If a request for a hearing is made, Commerce intends to hold the hearing at a date and time to be determined.<sup>15</sup>

Parties are reminded that briefs and hearing requests are to be filed electronically using ACCESS and that electronically filed documents must be received successfully in their entirety by 5 p.m. Eastern Time on the due date. Note that Commerce has temporarily modified certain of its requirements for serving documents containing business proprietary information, until further notice.<sup>16</sup>

Commerce intends to issue the final results of this administrative review, including the results of our analysis of the issues raised by the parties in their briefs, no later than 120 days after the date of publication of this notice, pursuant to section 751(a)(3)(A) of the Act and 19 CFR 351.213(h), unless this deadline is extended.

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<sup>13</sup> See 19 CFR 351.309(c)(1)(ii); 351.309(d)(1); and 19 CFR 351.303 (for general filing requirements).

<sup>14</sup> See 19 CFR 351.309(c)(2) and (d)(2).

<sup>15</sup> See 19 CFR 351.310(c).

<sup>16</sup> *Id.*

### Assessment Rates

In accordance with 19 CFR 351.221(b)(4)(i), we preliminarily assigned subsidy rates in the amounts shown above for the producers/exporters shown above. Upon completion of the administrative review, consistent with section 751(a)(1) of the Act and 19 CFR 351.212(b)(2), Commerce shall determine, CBP shall assess, countervailing duties on all appropriate entries covered by this review. For the companies for which this review is rescinded, Commerce will instruct CBP to assess countervailing duties on all appropriate entries at a rate equal to the cash deposit of estimated countervailing duties required at the time of entry, or withdrawal from warehouse, for consumption, during the period January 1, 2019, through December 31, 2019, in accordance with 19 CFR 351.212(c)(1)(i). For the companies remaining in the review, Commerce intends to issue assessment instructions to CBP no earlier than 35 days after the date of publication of the final results of this review in the *Federal Register*. If a timely summons is filed at the U.S. Court of International Trade, the assessment instructions will direct CBP not to liquidate relevant entries until the time for parties to file a request for a statutory injunction has expired (*i.e.*, within 90 days of publication).

### Cash Deposit Requirements

In accordance with section 751(a)(2)(C) of the Act, Commerce intends, upon publication of the final results, to instruct CBP to collect cash deposits of estimated countervailing duties in the amounts shown for each of the respondents listed above on shipments of subject merchandise entered, or withdrawn from warehouse, for consumption on or after the date of publication of the final results of this administrative review. For all non-reviewed firms, Commerce will instruct CBP to continue to collect cash deposits of estimated countervailing duties at the most recent company-specific or all-others rate applicable to the company, as appropriate. These cash deposit instructions, when imposed, shall remain in effect until further notice.

### Notification to Interested Parties

These preliminary results and notice are issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act, and 19 CFR 351.221(b)(4).

Dated: July 27, 2021.

Christian Marsh,  
Acting Assistant Secretary  
for Enforcement and Compliance.

## **Appendix**

### **List of Topics Discussed in the Preliminary Decision Memorandum**

- I. Summary
- II. Background
- III. Partial Rescission of Administrative Review
- IV. Non-Selected Rate
- V. Intent to Rescind Administrative Review, in Part
- VI. Scope of the *Order*
- VII. Subsidies Valuation Information
- VIII. Analysis of Programs
- IX. Recommendation

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